

Congress of the United States

Washington, DC 20515

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June 28, 2023

The Honorable Jessica Rosenworcel
Chairwoman
Federal Communications Commission
45 L Street, N.E.
Washington, DC 20554

Dear Chairwoman Rosenworcel,

As the Ranking Member of the U.S. Senate Committee on Commerce, Science and Transportation and the Chair of the U.S. House of Representative Committee on Energy and Commerce, we write to once again request information and materials related to Standard General's application to acquire TEGNA (the "Standard General-TEGNA Transaction"). The first time we asked for this information you were unable to provide answers, claiming that you could not do so for two reasons: (1) the Federal Communications Commission ("FCC") was actively litigating the Standard General-TEGNA Transaction in federal court, and (2) the matter was currently before an FCC Administrative Law Judge ("ALJ"). Now that the FCC is no longer litigating this transaction and the transaction is no longer before the FCC, these reasons no longer apply.

Our previous letter sought clarity regarding the FCC's decision to refer the Standard General-TEGNA Transaction to an ALJ hearing through the agency's Media Bureau, at your direction.¹ It asked why the Hearing Designation Order ("HDO") was issued under delegated authority, when the Media Bureau began drafting the HDO, why the Media Bureau did not provide FCC commissioners with 48-hour notice of the HDO, and requested FCC communications with the parties to and opponents of the Standard General-TEGNA Transaction. In your April 19 response letter, you copied and pasted portions of the HDO and the FCC's opposition to the parties' petition for mandamus in the U.S. Court of Appeals for D.C. Circuit ("D.C. Circuit"), as well as an incomplete table based on publicly available information.² You also did not answer many of the questions posed or provide the documents requested.

In your response, you noted that the Standard General-TEGNA Transaction was "the subject of active litigation before the Court of Appeals for the D.C. Circuit" and "that this proposed transaction remains active before the Commission itself."³ The transaction is no longer the subject of active litigation: two days after you sent the April 19 letter, the D.C. Circuit denied the parties' petition for a writ of mandamus (the D.C. Circuit had previously dismissed the appeal of the HDO

¹ Letter from Ranking Member Cruz and Chair McMorris Rodgers to FCC Chairwoman Rosenworcel (Apr. 5, 2023), <https://www.commerce.senate.gov/services/files/8273A871-E975-4C80-AFEE-60D519DC7393>.

² Letter from FCC Chairwoman Rosenworcel to Ranking Member Cruz and Chair McMorris Rodgers (Apr. 19, 2023).

³ *Id.*

on April 3, 2023).⁴ Nor is the transaction currently before the FCC; the FCC terminated the proceeding on June 1, 2023.⁵

We ask that you stand by your commitment that “once the proceeding [was] finalized,” you would “provide additional information”⁶ and provide written responses and documents in response to the questions raised in our April 5 letter no later than July 12, 2023. During the Energy and Commerce hearing on June 21, 2023, you stated that the transaction is still a “restricted proceeding.” It is our understanding that you restricted the proceeding after February 22, 2023. We therefore expect you to be able to answer all the enclosed questions. For your convenience, the questions from the April 5 letter are attached as an appendix. Our staff will be in touch regarding search terms and custodians for the document requests.

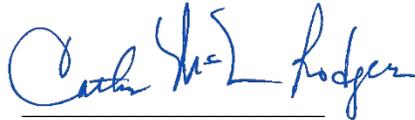
In addition, we request a staff level briefing regarding the Standard General-TEGNA transaction the week of July 17.

Thank you for your attention to this matter. We look forward to your prompt response.

Sincerely,



Ted Cruz
Ranking Member
Committee on Commerce,
Science, and Transportation



Cathy McMorris Rodgers
Chair
Committee on Energy and Commerce

Encl: Questions from April 5, 2023 Letter from Ranking Member Cruz and Chair McMorris Rodgers to Chairwoman Rosenworcel.

⁴ *TEGNA Inc. Reports First Quarter 2023 Results*, TEGNA (May 10, 2023), <https://www.sec.gov/Archives/edgar/data/39899/000003989923000016/tgnaq12023earningsrelease.htm>.

⁵ *Order Terminating Proceeding*, Dkt. No. 22-162 (Jun. 1, 2023), <https://docs.fcc.gov/public/attachments/FCC-23M-10A1.txt>.

⁶ Letter from Chairwoman Rosenworcel, *supra*, note 2.

**Appendix: Questions from April 5, 2023 Letter from Ranking Member Cruz and Chair
McMorris Rodgers to Chairwoman Rosenworcel**

1. Please explain why the HDO was issued by the Media Bureau under delegated authority rather than through a full Commission vote.
2. Please list all HDOs the Commission has issued in the last three decades regarding transactions exceeding \$1 billion. For each such order, please indicate whether it was issued by a full Commission vote or under delegated authority.
3. The HDO claims there are substantial and material questions of fact regarding whether the transaction will lead to rate increases “as a result of contractual clauses that take immediate effect after the consummation” of the transaction and whether the transaction will “result in labor reductions at local stations.” Please list all orders in which the Commission previously analyzed and addressed:
 - a. Retransmission rate increases that were “a result of contractual clauses that take immediate effect after the consummation” of a transaction.
 - b. “Labor reductions at local stations” as a result of a transaction.
4. Please explain the following theories advanced by the Media Bureau:
 - a. How retransmission consent rates are a part of reviewing whether a license transfer is in the public interest.
 - b. How labor relations are a part of reviewing whether a license transfer is in the public interest.
5. Please state whether the Commission has ever found the following:
 - a. An increase in retransmission consent fees resulting from a broadcast television transaction to constitute a stand-alone public interest harm. If so, please list each order in which the Commission has done so.
 - b. A change in labor relations to constitute a stand-alone public interest harm in a broadcast television transaction. If so, please list each order in which the Commission has done so.
6. Is there any principle limiting when Media Bureau staff can designate a license transfer for a hearing without any input from the full Commission? If so, please describe this principle in full.
7. When did the Media Bureau begin drafting the February 24, 2023 HDO?
8. When did the Media Bureau provide a draft(s) of the February 24, 2023 HDO to each Commissioner? Please provide documentary support for each such notification.

9. Why did the Media Bureau not give Commissioners 48 hours' notice of the February 24, 2023 HDO as is customary with significant bureau-level items?
10. Please provide all documents concerning communications between Standard General or TEGNA and anyone in the Media Bureau or Chairwoman Rosenworcel's Office from September 1, 2022 to February 24, 2023. If any oral communications or meetings took place between the applicants and anyone in the Media Bureau or Chairwoman Rosenworcel's Office from September 1, 2022 to February 24, 2023, please identify the dates on which those meetings or oral communications took place and the subject of those communications.
11. Please provide all documents concerning communications between (A) NewsGuild-CWA, David Goodfriend, or Andrew Schwartzman and (B) anyone in the Media Bureau or Chairwoman Rosenworcel's Office from September 1, 2022 to February 24, 2023. If so, please identify the dates on which those meetings or oral communications took place and the subject of those communications.
12. Has anyone in the Office of the Chairwoman or any Commission staff had any communications with Byron Allen or any board member, employee, or contractor of Allen Media Group or Entertainment Studios regarding the Standard General-TEGNA transaction? If so, please provide all documents concerning those communications and identify the dates on which any meetings or oral communications took place and the subject of those communications.
13. For the period when the Commission's review of the Standard General-TEGNA transaction was pending, did anyone in the Office of the Chairwoman or any Commission staff have any communications mentioning any person or company that sought unsuccessfully to purchase TEGNA? If so, please provide all documents and communications (including summaries and dates of any oral communications) regarding Byron Allen, Allen Media Group, or any other person or company (other than Standard General) that sought to purchase TEGNA.
14. The Commission strives to decide all transactions within 180 days and maintains a shot clock for transactions. Please list all transactions in which the Commission took 375 days or more to make a decision, including a citation for the transaction. Please also identify whether it was decided by the full Commission or under delegated authority, as well as the number of days the decision took according to the Commission's own shot clock.